

## 1. Appendix 3 – Estates and Facilities Stores Provision

S&R	Our Cambridge lead projects in City Operations	
Appendix 1 / 4.1	Organisational design phase 1 - building a leadership structure for the future	OC1
Appendix 2 / 4.2	Out of Hours repairs – change to standard shift patterns	OC2
<b>Appendix 3 / 4.3</b>	<b>Estates and Facilities stores provision – consider third party provision</b>	<b>OC3</b>
Appendix 4 / 4.4	Better use of digital and data – including telematics, process mapping, revised KPI's and re-mobilising E&F systems.	OC4
Appendix 5	City Operations Scope	
Appendix 6	Full breakdown of forecasted savings by project	

**Subcontracting the stores provision** is a project that sits within the City Ops programme.

### 1. Changing stores delivery to enable better support for repairs work

Currently, our stores management processes struggle to enable our ambition of 'first fix, first time'. The existing systems for stock management make it

difficult for operatives to understand what is in their vans, what tools/equipment/stock is needed, and consequently this delays repairs for Council tenants.

- A move to third party stores provision using an intermediary to help effectively manage the contract would allow us to monitor core stock items and fix contracted prices more accurately, allowing operatives to provide a more reliable service for tenants.
- A soft market test on three leading building suppliers via a contract management consultancy demonstrates there are suppliers that can deliver almost 100% of our stock lines, coming it at a reduced operating cost of at least £55,724.
- With permission to proceed, it should be recognised that officers are keen to fully plan out the transition plan with the successful supplier including key performance indicators to ensure standards for delivery do not slip, and operatives working with the new supplier (to receive equipment etc.) are adopting the changes successfully.
- It should be noted that officers recognise the TUPE implications for staff in this area (3 Full Time Employees), and as such officers will follow the required policies to ensure delivery and benefits realisation (Recommendation 2).

### **Benefits available**

It is recognised that bringing on a partner to support needs to make sense for the organisation and should only be considered if the benefits truly outweigh the cost. For clarity, the below demonstrates the potential savings available, as well as a list of opportunities that would be further realised by moving towards a new delivery model. This model also removes the need for the Council to hire 130 Cowley Rd (somewhere in the region of £150k per annum) and to maintain a large stock incurring considerable capital cost.

Additionally, this delivery model is forecast to reduce the miles driven by colleagues allowing colleagues more time to fix properties rather than driving and therefore minimising the negative effect of our operations on congestion and our carbon impact,

#### *Soft market testing: Cost analysis*

In House cost	In House Cost	Supplier A	Supplier B	Supplier C
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% lines available	100%	98%	54%	99%
Total* *Exact figures tbc	£761,613	£705,889	£654,201	£794,269
Savings available		£55,724	£107,412 <i>(high negative impact on stores availability)</i>	-£32,656

- Dedicated Branch Stock – profiled to Council requirements
- Dedicated branch management
- Van Stock Profiling
- Van stock management and automatic replenishment
- Controlled pricing (fixed for 12 months) and monthly management
- Core list profiling and monthly reporting of spend
- Monthly Key Performance Indicators (KPIs) / Service Level Agreements (SLAs) reviews and analysis
- Full IT integration with your Accuserve system with daily reporting etc.
- Flexibility to tailor integration solutions to service your requirements
- Project IT Co-Ordinator to manage roadmap to completion
- Fully automated ordering and invoice process
- Live validation
- Flexible invoicing provision
- Monthly catalogue updates
- Designed to process information back to the servicing branch and CCC A move to third party stores provision using an intermediary to help effectively manage the contract would allow us to monitor core stock items and fix contracted prices more accurately, protecting the Council from price fluctuations.



## 2. Project plan (for projects that sit within a programme)

Start date for project: Nov 22

Estimated end date for project: Dec 23

### Project phases

Project	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
S&R Scrutiny		■										
Consultation paper created and issued		■										
Staff Consultation			■									
Consulation responses considered				■								
Procurement activity			■	■	■	■	■	■				
Approval to proceed granted					■							
Implementation paper created and issued					■							
Ability to integrate systems confirmed							■					
Mobilisation plan in place								■				
Contracts signed									■			
Mobilisation/Transition period										■	■	■